EXHIBIT

8450 Gol 43 8474 Mer. 94 bbls. Doil PAN AMERICAN PETROLEUM CORPORATION APPLICATION FOR PERMISSION FOR AN OIL-OIL DUAL PRODUCER IN THE WANTZ-ABO POOL AND THE BRUNSON ELLENBURGER POOL AT THE PAN AMERICAN HUGH CORRIGAN NO. 2 LOCATED IN UNIT I, SEC. 33, T-21-S, R-37-E, NEW MEXICO OIL CONSERVATION COMPISSION EXAMINER HEARING CASE NO. 2225 MARCH 22, 1961

BEFORE EXAMINER UTZ OIL CONSERVATION COMMISSION ancine EXHIBIT NO. / CASE NO. 2225

DISCUSSION

Pan American Petroleum Corporation respectfully requests that the New Mexico Oil Conservation Commission grant permission to dually complete its Hugh Corrigan No. 2 as an oil-oil dual in the Brunson-Ellenburger and Wantz-Abo pools in Lea County, New Mexico.

The Pan American-Hugh Corrigan No. 2, was originally completed as a Brunson-Ellenburger Pool producer on May 26, 1947, for an initial flowing potential test of 312 barrels of 43° gravity oil in 18 1/2 hours. The initial bottom hole pressure at that time was 2883 psi at a datum plane of -4300'. The productivity of the Ellenburger zone has declined to 94 BOPM plus 8474 MCFPM in December 1960.

In January 1961 the Ellenburger was temporarily abandoned in Corrigan No. 2 and the well was recompleted in the Wantz Abo pool for an initial flowing potential test of 165 barrels of 42° gravity oil plus 70 barrels of load water on February 9, 1961. The Ellenburger zone is now shut in pending the results of this hearing.

This lease is included in acreage which has been placed in the Brunson-Ellenburger Pool and the Wantz-Abo Pool by various nomenclature orders dating back to Order No. 850 dated January 1, 1950.

Attachment I, a plat of the area, shows the location of the Hugh Corrigan Lease and points out by means of a red arrow the well in question.

Attachment II consists of a diagramatic sketch showing the mechanical aspects of this dual installation. Each pool will be produced through a separate 2 3/8" EUE tubing string. The long tubing string (Ellenburger) is latched into the Baker Model D Packer at 7350' and the short tubing string (Abo) is latched into the Baker parallel string anchor at 7007'. It is felt that the use of these latching devices will keep vertical movement of the tubing strings to a minimum if beam pumping equipment is ever installed and thereby minimize the possibility of communication in the well bore through leaks which might result due to wear caused by vertical movement of either of the tubing strings.

It is believed that this mechanical installation is well suited to safely and efficiently produce Brunson-Ellenburger crude and Wantz-Abo crude from this well bore through separate tubing strings.

Attachment III shows logs of the Ellenburger and Abo intervals in Corrigan No. 2.

Attachment IV presents evidence indicative of separation between the Brunson-Ellenburger and Wantz-Abo Pools.

Attachment V is a copy of a letter from Mr. C. H. Samples, District Superintendent of Socony Mobil Oil Company to Mr. A. L. Porter, Secretary-Director of the New Mexico Oil Conservation Commission whereby Socony Mobil, the offset operator, waives objection to this dual application. Socony Mobil operates offsetting leases to the northeast, north, northwest, west, southwest, and south of the Corrigan Lease. Pan American operates the offsetting lease to the east and southeast.

Attachment VI presents for convenience, a copy of Pan American's application for dual completion dated February 24, 1961. Copies of this application were originally furnished the Commission by Pan American's letter of February 24, 1961, File: CDF-5183-986.510.1